

# **EXHIBIT P**

Working Draft

MINUTES OF  
**HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY**  
**SPECIAL CALLED MEETING**

May 5, 2011

Attendees:

Authority board members: Ralph Rosenberg, Lamar Reese, Charles Lingle, John Inman, Jr. M.D., Fred Ghiglieri, John Hayes, Steven Wolinsky D.O. and Rev. H.B. Johnson. Among those also present were Joel Wernick, Kerry Loudermilk, Joe Austin, Aditi Vance, Tommy Chambless, Annette Allen (recorder), Lin Harris, Auditor (Draffin & Tucker), regular legal counsel to the Authority, James Reynolds and Huff Croxton and special legal counsel to the Authority, Emmet Bondurant and Kari Middleton.

Absent:

Rev. Eugene Sherman

Called To Order:

The special called meeting was called to order by Chairman, Rosenberg at 10:03 a.m. in the Willson Board Room of Phoebe Putney Memorial Hospital.

Topic/Discussion	Conclusion/Evaluation	Recommendation/Action	Follow-Up
<b>Open Meeting and Establish a Quorum</b> Mr. Rosenberg welcomed the Authority and he established that a quorum was present.			
<b>Approval of the Agenda</b> The agenda was reviewed and approved.			
<b>Update on Rev. Sherman's health</b> Prior to the business set forth in the Agenda, Chairman Rosenberg provided an update on Rev. Sherman's health. At one point, he had been critically ill, but now appeared to be much improved. He was presently recuperating at Morningside.			
<b>Approval of the Minutes</b> The minutes of the regular meeting of February 2, 2011 and the special called meeting of April 4,			

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<p><b>Draffin and Tucker Auditors:</b> Mr. Loudermilk introduced Linton Harris, CPA. Mr. Harris had presented the Authority Audit at the most recent meeting. Mr. Loudermilk explained that last year several healthcare audit firms were reviewed by the Health System Audit Committee and Draffin and Tucker was selected as the most experienced and proficient in healthcare auditing. Mr. Loudermilk stated the other Phoebe</p>	<p>2011, having been provided to the members prior to the meeting, were presented for approval. A motion was made and seconded to approve the minutes. The motion passed unanimously.</p>
	<p>Mr. Rosenberg concluded by stating the Authority has been very pleased with the prior service of Draffin and Tucker. A motion was made and seconded to authorize the Chairman of the Authority to sign an engagement agreement with the firm of Draffin and Tucker and approve the fee not to exceed \$3,000. The motion passed.</p>

entities have signed an engagement letter for Draffin and Tucker to perform the Fiscal Year end 2011 audit and he believes there to be some economies in using the same accountant. Mr. Harris informed the Authority the fee is \$3,000 for the Authority's audit.

**Closing of the Meeting:**

A motion was made and seconded to close the meeting to consult with legal counsel as contemplated in O.C.G.A. §50-14-2(1).

Mr. Rosenberg polled the individual Authority members whose votes are shown below:

Ralph Rosenberg	Yes
Charles Lingle	Yes
John Inman, Jr. MD.	Yes
Rev. H.B. Johnson	Yes

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	Fred Ghiglieri Lamar Reese Dr. Eugene Sherman Absent John Hayes Dr. Steven Wolinsky	Yes Yes Yes Yes Yes Yes
The open session reconvened.	The motion passed unanimously and the meeting was closed to all but the Authority and its legal counsel.	

**Litigation Committee:**

Mr. Rosenberg stated that he and Dr. Lingle have over the past weeks, been heavily involved with the Authority legal counsel, in connection with the ongoing litigation and administrative proceedings. He feels the need to appoint a Litigation Committee to act between Authority meetings, on behalf of the Authority as relates to current litigation and administrative proceedings, all pertaining to the acquisition of Palmyra Medical Center.

Under the ByLaws, the Chairman is authorized to make Committee appointments and Chairman Rosenberg indicated that if he was authorized to establish the Committee, he would appoint the following as the Litigation Committee: Ralph Rosenberg, Charles Lingle, D.V.M and Fred Ghiglieri.

A motion was made and seconded to approve and authorize such a Litigation Committee for the Authority. The motion passed unanimously.

**Summary of Proposed Palmyra Acquisition:**

Mr. Wernick gave a presentation (attached) which provided an analysis of the consolidation of PPMH and Palmyra Park Hospital. In the presentation he reviewed the major role of the Authority and its interest in acquiring the facility since 1987. Mr. Wernick reviewed the patient origin map, the strategic growth in the region since restructuring in 1990, the unmet health care needs in the service area, the strategic decision to address capacity issues and he specifically recapped the Authority's previous review of whether to build a facility or seek to purchase the existing Palmyra Park Hospital to address PPMH's

Mr. Wernick concluded by giving an update of the transaction process and outlined future outcomes, if the acquisition is completed, as follows:

- Better healthcare for the region
- Continue to provide world-class medicine
- Control costs to lowest possible
- Grow employment
- Continue to be significant economic engine for Southwest GA

Following questions by the Authority, this matter was considered and acted upon through the Resolutions discussed below.

capacity issues. He reviewed the strategic decision the Authority made in December, 2010 to authorize Hospital management and the Authority's attorneys to proceed with the acquisition plan.

**Suspension of Work on  
Lease**

Mr. Rosenberg pointed out that based upon current information, the acquisition of Palmyra will be delayed and accordingly, it would be wise to suspend work on a Lease of Palmyra, as previously directed by the Board.

This matter was considered and acted upon through the Resolutions discussed below.

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<b>Resolutions:</b>	
<p>Mr. Rosenberg presented proposed resolutions (attached to the Minutes) and reviewed the same in detail for consideration by the Authority. <del>The Resolutions dealt with the two preceding items.</del></p>	<p>Each of the Authority members present having read the proposed Resolutions, a motion was made and seconded to adopt the aforementioned Resolutions as presented. The motion was seconded and passed unanimously.</p>

**Independent Consultant  
Analysis of the Lease  
compliance and Hospital  
pricing:**

As an informational item, Mr. Rosenberg reminded the Authority of its earlier decision to engage an independent party to again analyze pricing and Lease compliance to try to ascertain that the requirements of the Hospital Authorities Law and the Lease are being complied with. He stated that as a result of the earlier direction of the Authority, he met with consultants from PriceWATERhouseCoopers (PWC) to discuss a new study to update the study

done in 2006 and following the meeting, he had expected to hear back with a proposed engagement letter. As it developed, the FTC in its review of the acquisition had subpoenaed from PWC all of its information regarding the earlier studies.

Therefore, PWC was understandably reluctant

to proceed with a new analysis until after the FTC matter is resolved.

Mr. Rosenberg at this time stated that he would delay proceeding with PWC.

**Reports from PPMH:**

**Joint Commission:**

Mr. Austin presented to the Authority the results of the last Joint Commission Survey. The next Survey will take place after August 1, 2011 within an 18 month time period. The exact date is unknown. The Surveyors will arrive unannounced. The Survey takes one week and the Hospital and Phoebe Home Health are reviewed during that week. Mr. Austin gave an overview of the last survey results. He introduced Aditi Vance, Director of Quality who was available for

questions.

Mr. Austin concluded by informing the Authority they will be advised when the next survey begins and will be invited to the summation conference. Mr. Reynolds informed the Authority the Lease Agreement requires the Hospital to maintain its Joint Commission Accreditation.

**Financial Report:**

Mr. Loudermilk presented a quarterly financial report (attached to the minutes). He reviewed the operating and capital budget, the year to date financial performance, community

A question and answer session followed on this informational item.

benefit contributions, and charity/indigent care expenses as well as the amount incurred for bad debt. He presented a 10 year comparison of the medical price index.

<p><b><u>Closing Remarks</u></b></p> <p>Mr. Rosenberg thanked Mr. Wernick, Mr. Austin and Mr. Loudermilk for their respective presentations and stated the next quarterly meeting is scheduled to be held August 18, 2011.</p>	<p>Adjournment</p>	<p>With there being no further business, the meeting adjourned at 12:28p.m.</p>
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Annette Allen, Recorder

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